

## REMARKS

Claims 1-12 and 17-20 were pending in the above-identified application when last examined and remain in the form previously presented. The Office Action dated December 17, 2008 identifies that claims 1-12 and 17-26 as pending. However, claim 21-26 were canceled in Applicant's Response to Office Action dated August 28, 2008.

Applicant wishes to thank Examiner Saif A. Alhija for the telephone interview on January 12, 2009, with Applicant's attorney, David T. Millers. During that interview, the due date for reply to the Office Action dated December 17, 2009 was discussed, and the Examiner confirmed that the shortened statutory period for reply expires three (3) months after the notification date of the Office Action since the Office Action contained a new rejection based on the merits of the Application. Accordingly, the deadline for this response to the Office Action is March 17, 2009.

Claims 1-12 and 17-20 were rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Applicants respectfully traverse the rejection.

Claim 1 claims statutory subject matter at least by reciting, "A computer program product for simulating an input sequence, the product being embodied on a computer-readable medium and comprising code that, when executed, causes a computer to perform." Accordingly, claim 1 recites a physical machine or composition of matter, particularly "a computer-readable medium."

In the 35 U.S.C. § 101 rejection, the Office Action beginning at page 3, line 3 states, "(i) ... The language of the claims indicate that the claims are directed merely to an abstract idea that is not tied to a technologic art, environment, or machine that would conclude with a tangible result to form the basis of statutory subject matter under 35 U.S.C. 101. The claimed "method " appears to be no more than manipulation of data without any application or tangible output." Applicant respectfully disagrees. First, the language of claim 1 is clearly tied to a technologic art, environment, and machine since it recites "a computer-readable medium and comprising code that, when executed, causes a computer to perform." Claim 1 thus recites more than a mere idea. Second, this rejection concentrates on and refers to "the claimed 'method'" and fails to evaluate the claim as a whole, which includes the language quoted above. Third, the claim 1 has clearly has utility and application because claim 1

recites a "product for simulating an input sequence." As noted in Applicants specification (see for example, paragraph [0002]), simulating sequences has utility in many applications such as testing of systems including communication channels and predictive systems such as financial or weather models.

The rejection under 35 U.S.C. § 101 also states, (ii) "As per *Gottschalk v. Benson* ..., the claims must result in a physical transformation or provide a "particular machine" for execution. Since the claims show no physical transformation and do not require or state the use of any particular machine the claims fail to provide a statutory result and is therefore rendered non-statutory." Applicants note that a physical transformation is not required for patentable subject matter. In particular, *AT&T*, 172 F.3d at 1358-59, 50 USPQ2d at 1452 indicates that a physical transformation "is not an invariable requirement, but merely one example of how a mathematical algorithm may bring about a useful application." Further, claim 1 as noted above claims a machine or composition of matter (albeit with functional limitations) and that has a definite useful application. Further, the functional limitations do require a particular machine, specifically a computer.

The rejection under 35 U.S.C. § 101 further states, (iii) "Claim 1 merely recites taking data, separating it into smaller portions then randomly output it. ... The Examiner notes that a method claim that recites pure mental steps does not qualify as a statutory process. These claimed limitations clearly do not result in a physical transformation nor are they tied to a particular machine in a manner which would render them statutory. The mere use of a generic computer does not render abstract mental steps statutory." Clearly, the language of claim 1 does not allow interpretation of claim 1 as solely covering mental steps. Again, claim 1 recites, "A computer program product for simulating an input sequence, the product being embodied on a computer-readable medium and comprising code that, when executed, causes a computer to perform." Applicant submits that a computer does not perform pure mental steps. Further, to the extent that the steps recited in claim 1 might if considered by themselves be performed mentally, consideration of those steps in isolation is improper because the claim must be considered as a whole when determining whether the claim contains statutory subject matter. (See *Diamond v. Diehr*, 450 U.S. 175, 188-89, 209 USPQ 1, 9 (1981), which states "In determining the eligibility of respondents' claimed process for patent protection under § 101, their claims must be considered as a whole."

35 U.S.C 101 states, "Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof,

may obtain a patent therefor.” Claim 1 clearly recites a machine or composition of matter that is useful and therefore recites patentable subject matter.

Claims 2-12 depend from claim 1 and therefore inherit the statutorily patentable subject matter of claim 1.

Independent claim 17 recites, “A computer program product for generating a simulated sequence, the product being embodied on a computer-readable medium and comprising code that, when executed, causes a computer to perform.” The quoted portion of claim 17 is the same as the above-quoted portion of claim 1. Accordingly, claim 17 recites, statutory subject matter for the same reasons given with reference to claim 1.

Claims 18-20 depend from claim 17 and inherit the statutory subject matter of claim 17.

Claims 21-26 were canceled.

For the above reasons, Applicants request reconsideration and withdrawal of the rejection under 35 U.S.C. § 101.

In summary, claims 1-12 and 17-20 were pending in the application and remain in the form previously considered. For the above reasons, Applicants respectfully request allowance of the application including claims 1-12 and 17-20.

Please contact the undersigned attorney at (530) 621-4545 if there are any questions concerning the application or this document.

Respectfully submitted,

/David Millers 37396/

David Millers  
Reg. No. 37,396